

**NEW YORK STATE
INSURANCE DEPARTMENT**

**NINTH AMENDMENT TO REGULATION NO. 41
(11 NYCRR 27)**

EXCESS LINE PLACEMENTS GOVERNING STANDARDS

I, Louis Pietroluongo, First Deputy Superintendent of Insurance of the State of New York, pursuant to the authority granted by Sections 201, 301, 2105, 2118 and Article 21 of the Insurance Law do hereby promulgate the following Ninth Amendment to Regulation No. 41 (11 NYCRR 27) to take effect upon publication in the State Register, to read as follows:

(New matter is underlined; matter in brackets is deleted)

Section 27.6 is hereby amended to read as follows:

(a) Within 45 days after date of procurement of a policy from an unauthorized insurer, the excess line broker shall submit to the excess line association, for recording and stamping, all documents required by section 2118 of the Insurance Law including all affidavits required by section 27.5 of this Part.

(b) No excess line broker shall deliver, nor provide to any producing broker for delivery, an excess line insurance policy declarations page or cover note unless the first page of the declarations page or cover note bears the stamp applied by the Excess Line Association of New York or a duplicate copy of the declarations page or cover note bearing the stamp is attached to the original.

Section 27.17(b) is hereby amended to read as follows:

(b) No excess line broker shall deliver, or cause to be delivered by the producing broker to a person or entity requesting coverage from an unauthorized insurer any memorandum, certificate or other document evidencing insurance coverage, unless the document constitutes an insurance policy or contract of insurance actually issued by the insurer, except that the excess line broker or producing broker may deliver written confirmation of placement of coverage with the unauthorized insurer if the confirmation identifies the insurer by name and address, accurately describes the coverage, premium and terms, and bears across its face conspicuously, in [no] not less than ten point bold [red] type, the following legend:

[THIS IS NOT AN INSURANCE POLICY AND THE INSURER
(INSURERS)* HEREIN REFERRED TO IS (ARE) NOT LICENSED BY
THE STATE OF NEW YORK AND NOT SUBJECT TO ITS

SUPERVISION. THE INSURANCE CONFIRMED HEREIN, IN THE EVENT OF THE INSOLVENCY OF THE INSURER (INSURERS), IS NOT PROTECTED BY THE NEW YORK STATE SECURITY FUNDS. THE POLICY MAY NOT BE SUBJECT TO ALL OF THE REGULATIONS OF THE INSURANCE DEPARTMENT PERTAINING TO POLICY FORMS.]

[*When more than one insurer is involved, the parenthetical material should be substituted as appropriate. Otherwise, the parenthetical material should be deleted.]

THE INSURER(S) NAMED HEREIN IS (ARE) NOT LICENSED BY THE STATE OF NEW YORK, NOT SUBJECT TO ITS SUPERVISION, AND IN THE EVENT OF THE INSOLVENCY OF THE INSURER(S), NOT PROTECTED BY THE NEW YORK STATE SECURITY FUNDS. THE POLICY MAY NOT BE SUBJECT TO ALL OF THE REGULATIONS OF THE INSURANCE DEPARTMENT PERTAINING TO POLICY FORMS.

Section 27.18(a) is hereby amended to read as follows:

(a) The excess line broker or producing broker shall promptly deliver every insurance policy placed with an unauthorized insurer to the insured, and every such policy shall bear across its face conspicuously, in not less than ten point bold [red] type, the [following legend:] language as specified in Section 27.17(b) of this Part.

[THIS INSURANCE POLICY IS WRITTEN BY AN INSURER (INSURERS)* NOT LICENSED BY THE STATE OF NEW YORK, NOT SUBJECT TO ITS SUPERVISION, AND NOT PROTECTED, IN THE EVENT OF THE INSOLVENCY OF THE INSURER, BY THE NEW YORK STATE SECURITY FUNDS. THE POLICY MAY NOT BE SUBJECT TO ALL OF THE REGULATIONS OF THE INSURANCE DEPARTMENT PERTAINING TO POLICY FORMS.]

[*When more than one insurer is involved, the parenthetical material should be substituted as appropriate. Otherwise, the parenthetical material should be deleted.]

I, Louis Pietroluongo, First Deputy Superintendent of Insurance of the State of New York, do hereby certify that the foregoing is the Ninth Amendment to Part 27 of Title 11 of the Official Compilation of Codes, Rules and Regulations of the State of New York (Regulation 41), entitled "Excess Line Placements Governing Standards", promulgated by me on February 16, 2006, pursuant to the authority granted by Sections 201, 301, 2105, 2118 and Article 21 of the Insurance Law, to take effect upon publication in the State Register.

Pursuant to the provisions of the State Administrative Procedure Act, prior notice of the proposed amendment was published in the State Register on December 28, 2005. No other publication or prior notice is required by statute.

Louis Pietroluongo
First Deputy Superintendent of Insurance

February 16, 2006